

notice to that effect with the Commission on or before October 11, 1937.

It is further ordered, That Charles S. Moore, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in these matters, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2968; Filed, October 6, 1937; 12:53 p. m.]

Friday, October 8, 1937

No. 195

FEDERAL COMMUNICATIONS COMMISSION.

AMENDMENT OF REGULATIONS TO GOVERN DESTRUCTION OF RECORDS OF TELEPHONE, TELEGRAPH AND CABLE COMPANIES

The Commission, at a general session held on September 29, 1937, adopted the following order:

COMMISSION ORDER NO. 17-A

The Commission having under consideration Telephone Division Orders Nos. 6-A, 6-B, and 14, subsection 85 (a), "Telephone toll tickets, and statements forming basis of charges to subscribers and others", and subsection 1 (c), "Trial balance sheets of general and auxiliary ledgers", of paragraph 20 of the Regulations to Govern the Destruction of Records of Telephone, Telegraph and Cable Companies (including Wireless Companies) promulgated pursuant to order of the Interstate Commerce Commission made on the 3rd day of November, 1919:

It is ordered, That the words "Optional after charges have been paid or considered to be uncollectible" in the column "Period to be retained" opposite said subsection 85 (a) of paragraph 20, be, and the same are hereby, deleted and that the words "6 months" be inserted at that point.

It is further ordered, That the records covered by said subsection 85 (a) of paragraph 20 be, and the same are hereby, exempted from the provisions of Telephone Division Orders Nos. 6-A, 6-B, and 14, and may be destroyed in conformity with the provisions of that subsection as amended by this order.

It is further ordered, That those carriers that are using reprinted copies of the said Regulations to Govern the Destruction of Records be, and the same are hereby, notified that the word "permanently" appearing in the original authenticated copies of the Interstate Commerce Commission's order of November 3, 1919, in the column "Period to be retained", opposite said subsection 1 (c), "Trial balance sheets of general and auxiliary ledgers", was by reason of a printing error omitted from such reprinted issues.

By the Commission.

[SEAL]

T. J. SLOWIE, *Secretary*.

[F. R. Doc. 37-2970; Filed, October 7, 1937; 9:33 a. m.]

EXEMPTION FROM PROVISIONS TITLE III, PART 2, COMMUNICATIONS ACT, 1934, AS AMENDED, OF ALL PASSENGER VESSELS OF LESS THAN 100 GROSS TONS NOT SUBJECT TO RADIO PROVISIONS OF SAFETY CONVENTION

The Telegraph Division at its regular meeting held on September 28, 1937, adopted the following order:

ORDER

The Commission, Telegraph Division, having under consideration requests made on behalf of several fishing and

sight seeing boats operating locally in the vicinity of Miami, Florida, being passenger vessels of less than 100 gross tons not subject to the radio provisions of the Safety Convention; and

Whereas it appears from the face of such requests and upon preliminary investigation that the route and conditions of the voyages and other circumstances are such as to render a radio installation unreasonable or unnecessary for the purposes of Part II of Title III of the Communications Act of 1934, as amended, and

Whereas the Commission may desire to institute such further proceedings in the matter of such requests for exemption as in its discretion it may find proper;

It is hereby ordered, That all passenger vessels of less than 100 gross tons not subject to the radio provisions of the Safety Convention operating between Hillsborough Light and Pacific Reef Light, which are in the vicinity of Miami, Florida, and not operated more than five miles from the nearest land, be and the said class of ships is hereby exempt from the provisions of Title III, Part 2 of the Communication Act of 1934, as amended, for a temporary period pending further order of the Commission, and in any event for a period not to exceed 60 days from the date of this Order pending final decision by the Commission upon said requests for exemption; *Provided, however*, That nothing herein shall constitute a finding by the Commission that a radio installation is or will be unreasonable or unnecessary beyond the express terms hereof.

By order of the Commission, Telegraph Division.

[SEAL]

T. J. SLOWIE, *Secretary*.

[F. R. Doc. 37-2971; Filed, October 7, 1937; 9:33 a. m.]

FEDERAL HOME LOAN BANK BOARD.

Home Owners' Loan Corporation.

PROPERTY MANAGEMENT DIVISION REGULATIONS

Whereas the Board Resolution adopted January 22, 1937 for the Property Management Chapter of the Consolidated Manual has been revised from time to time and further revisions thereof are intended to be made, and it is deemed advisable to readopt said resolution incorporating therein the revisions previously adopted and the revisions now proposed; Therefore,

Be it resolved, That pursuant to the authority vested in the Board by Home Owners' Loan Act of 1933 (48 Stat. 128, 129) as amended by Sections 1 and 13 of the Act of April 27, 1934 (48 Stat. 643-647) and particularly by Sections 4-a and 4-k of said Act as amended, the Property Management Chapter of the Consolidated Manual be numbered 3 and provide as follows:

Sec. 300. The Property Management Division shall be responsible for all matters pertaining to real property securing liens held by the Corporation from the time foreclosure or the acceptance of deed in lieu of foreclosure has been authorized and all matters pertaining to real property acquired by the Corporation, except that the primary responsibility for protecting the Corporation's security from liens resulting from unpaid taxes, assessments, other governmental levies or charges, and ground rents, is placed upon the Legal Department. The responsibility of the Division shall include the sale, rental, collection of rents, maintenance, repairs, reconditioning, rehabilitation, rebuilding, enlargement, demolishing and periodic inspections of such properties.

All appraisals in connection with such properties which the Division may deem to be necessary or advisable shall be made under the direction of the Appraisal Section.

All repairing, reconditioning, rehabilitation, rebuilding, and enlargement or demolishing of such properties which the Division shall deem to be necessary or advisable shall according to approved procedure be under the direction and charge of the Reconditioning Section, except maintenance, and the repairs and the purchase of equipment incident to the maintenance of such properties.

The Property Management Division may direct maintenance and the repairs and the purchase of equipment incident to the maintenance of such properties to be accomplished under the direction of the Reconditioning Section. Maintenance, purchase of equipment, repairs, reconditioning, rehabilitation, rebuilding and enlargement or demolishing authorized by the Property Management Division may be accomplished through Approved Contract Brokers under approved procedure. All such work accomplished through Approved Contract Brokers, except maintenance and the repairs and the purchase of equipment incident to maintenance, shall be under the direction and supervision of the Reconditioning Section.

The Regional Manager, with the advice of the Regional Counsel or the State Manager, with the advice of the State Counsel, may in his discretion bind the Corporation to expend such sums for sidewalks, street improvements or other local improvements affecting property under the jurisdiction of the Property Management Division, or for the general improvement of the neighborhood in which any such property is located, as he may deem to be for the interest of the Corporation, and may on behalf of the Corporation join in and sign petitions or requests therefor, subject to limitations prescribed in Section 314. Consents to proposed improvements out of which assessments or levies will arise shall be executed pursuant to the provisions of Chapter VI.

Sec. 301. The Property Management Division shall be under the control of the General Manager. There shall be assigned a Deputy General Manager in Charge of the Division who shall report to and take direction from the General Manager. The Deputy General Manager in Charge shall have all necessary authority to carry out the rules and regulations of the Corporation relating to matters within the jurisdiction of the Division.

Sec. 302. The Property Committee is a part of the Home Office organization of the Property Management Division. It consists of three members appointed by the Board of Directors, one of whom is designated by the Board as Chairman of the Committee. The concurrence of two members of the Committee shall be sufficient to decide any question that may be presented. The Deputy General Manager in Charge may appeal to the Board from any decision of the Committee. The functions of the Property Committee shall be:

(a) To review all cases where it is recommended that the property be sold at an amount which represents a loss to the Corporation in excess of 25%, based on ledger value, plus accrued and unpaid charges against the property, the estimated carrying charges for six months in advance and the commission of the broker, and to render a decision as to whether the property is to be offered for immediate sale or rental and set a minimum sales price for each such property.

(b) To review and render decisions with regard to all cases which the Regional Property Committee may deem it advisable to submit or which may be submitted by the Regional Manager or a Field Representative of the Property Management Division as an appeal from the decision of the Regional Property Committee.

(c) To review and render decisions in all cases where the amount of reconditioning, repairs, or purchases of equipment and supplies recommended by the Regional Manager exceeds 65% of the latest valuation, as reconditioned, placed on the property by the Property Management Division, or \$1,500.00, provided that the amount exceeds \$1,000.00.

(d) To review and render decisions with regard to all leases other than month to month tenancies, except where the Deputy General Manager in Charge has authorized the Regional Manager to effect leases in behalf of the Corporation, for periods not exceeding two years.

(e) To review and render decisions in cases where the Regional Manager or the Regional Property Committee recommends demolition in whole or in part.

(f) To review and render decisions in all cases where it is recommended by the Regional Manager that an offer be accepted from the owner of a property on which the Corporation holds a mortgage or other approved security instru-

ment, to exchange such property for property acquired by the Corporation.

(g) To review and render decisions with regard to any other matters which the Manual of Rules and Regulations requires to be submitted to the Property Committee.

(h) To review and render decisions with regard to any other matters pertaining to the functions of the Property Management Division which the General Manager or the Deputy General Manager in Charge may deem advisable to submit.

(i) To review all cases where the Regional Manager recommends the approval of the purchase by any officer or employee of the Corporation from a home owner of property on which the Corporation holds a mortgage or other security instrument, or where the Regional Manager recommends the sale of a property owned by the Corporation, directly or indirectly, to an employee of the Corporation or to the spouse of such employee, and to submit such cases with its recommendations to the General Manager for final action.

Sec. 303. The Property Management Division in the Home Office in Washington shall conduct its operations through the Assistant General Manager to the Regional Manager.

Sec. 304. Property Management operations within the Region shall be under the control of the Regional Manager. In each Regional Office there shall be an Assistant Regional Manager in charge of Property Management, who shall report to and take direction from the Regional Manager and who shall exercise immediate direction and supervision over Property Management operations within the Region.

The Regional Manager may, in the manner now or hereafter provided request the appointment of deputies to execute forms on his behalf, to exercise any authority and to perform any duties vested in or required of the Regional Manager with respect to Property Management operations; provided, however, that such deputization is limited to the Assistant Regional Manager in charge of Property Management and employees of the Property Management Division recommended by him. The Regional Manager may deputize other employees of the Corporation with the approval of the Board.

Where justified by the volume of work, the Regional Property Management Division shall consist of four Sections: (1) Analysis; (2) Sales; (3) Management and (4) Records and Files.

There shall be a Regional Property Committee whose functions shall be to review all cases where it is recommended that the property be sold at a loss to the Corporation, provided the amount of the loss does not exceed 25%, based on ledger value, plus accrued and unpaid charges against the property, the estimated carrying charges for six months in advance and the commission of the broker and to render a decision as to whether the property is to be offered for immediate sale or rental and set a minimum sales price for each such property.

The Regional Property Committee is also authorized to direct the demolition, in whole or in part, of any improvements where such demolition is ordered by public authority and where, in the opinion of the Committee, it is to the best interest of the Corporation to provide for the demolition of such improvements through its own facilities. The Committee may also direct the demolition, in whole or in part, of any improvements other than the main structure (1) where the Appraisal Section has assigned no value to such improvements or (2) to abate a nuisance or remove a dangerous condition. The Committee may also direct the demolition of any portions of the main structure where such demolition is a part of the reconditioning program or is necessary to the completion thereof.

The Regional Property Committee shall consist of three members: The Regional Manager, Chairman, the Assistant Regional Manager in Charge of Property Management, Vice-Chairman and the Regional Appraiser. The Deputy General Manager in Charge may, at any time, supplement the membership of this Committee by the designation of a Field Representative of the Property Management Division to act as a fourth member of such Committee. The concurrence of

a majority of the members shall be sufficient to decide any question that may be presented. The Regional Manager or any Field Representative of the Property Management Division designated to act on the Committee, may appeal to the Property Committee in Washington from any decision of the Regional Property Committee.

The Regional Property Committee shall make a monthly report of its activities to the Property Management Division at Washington, D. C.

Sec. 305. The State Manager, under the immediate direction and control of the Regional Manager, shall be the supervisor for Property Management within the State. The District Manager shall be the supervisor within the District for Property Management when the District Office has been authorized to perform Property Management functions.

Sec. 306. The Corporation shall endeavor to dispose of, rent and manage its acquired properties through brokers in all localities where satisfactory arrangements can be made and maintained for such facilities and where it appears to the best interests of the Corporation to conduct those activities in such manner. The Regional Manager may also assign any other properties under the jurisdiction of the Division to brokers for sale, rental or management when in his opinion it is advantageous to do so.

Sec. 307. The General Manager, upon the recommendation of the Regional Manager, is authorized to fix the schedule of fees or compensation to be paid to Sales Brokers in each locality within the Regional area. The Regional Manager is authorized to fix the schedule of fees or compensation to be paid to Contract Management Brokers for the rental and management of properties under the jurisdiction of the Division. Approved schedules of fees shall be filed with the Auditor.

Sec. 308. Brokers may be required to furnish surety bonds payable to the Corporation and such surety bonds shall be approved and accepted as provided in Chapter VI.

Sec. 309. In areas where the services of a satisfactory broker are not available, the Regional Manager may arrange for a representative citizen of the community to perform such duties in connection with the sale, rental or management of the properties under the jurisdiction of the Property Management Division as are required by the terms of the Management Broker's Agreement or Sales Broker's Agreement, and regulations pertaining to brokers shall apply to such representative citizens.

In any territory or locality where the General Manager deems it to the best interests of the Corporation to set up its own organization for the sale, rental and management of properties, and for the carrying out of any of the other functions of the Division, additional personnel may be employed or existing personnel utilized for such purposes.

Sec. 310. The General Manager, with the approval of the General Counsel, is authorized to determine the plans of sale of real properties under the jurisdiction of the Property Management Division and of any leasehold or other interests therein. The General Manager is authorized to determine the terms of payment for the sale of such properties or interests therein, provided, however, that in no event shall the term of repayment under any mortgage or other security instrument or installment or like contract exceed fifteen years from the date of delivery of the deed or of such contract. The authority herein vested in the General Manager may be exercised also by the Deputy General Manager in Charge of Property Management, the Regional Manager, and the State Manager under procedure and limitations prescribed by the General Manager with the approval of the General Counsel.

The Regional Manager shall have authority to effect sales of real properties under the jurisdiction of the Division and of any leasehold or other interests therein at or above the minimum sales price which shall be fixed in accordance with established procedure.

The Corporation shall not sell its acquired property either directly or indirectly to an employee of the Corporation or to a spouse of such employee unless and until the transaction has been submitted to the Property Committee in Washington and the approval of the General Manager obtained.

Sec. 311. Rental prices and schedules shall be established by the Regional Manager and may, subject to procedure and limitations approved by the General Manager and General Counsel, also be established by the State Manager or District Manager.

The Corporation shall not rent any property under the jurisdiction of the Division to an employee of the Corporation or to a spouse of such employee either directly or indirectly unless and until the approval of the Regional Manager has been obtained. This restriction shall not, however, affect tenancies existing on September 2, 1936.

The Regional Manager shall have authority to authorize and direct the Regional Accountant to charge off rents payable to the Corporation from former tenants of properties or units "available to yield income" and under the jurisdiction of the Division. This authority shall not extend to tenants in possession. The Regional Manager is authorized to direct the charging off of such rents whenever, in his opinion, the same are uncollectible or when it appears to his satisfaction that it would not be to the best interests of the Corporation to incur any further expense either by way of suit or otherwise in an effort to enforce or make collections.

Tenants and other occupants of properties under the jurisdiction of the Division shall make full payment of any rents due the Corporation without any deductions for disbursements made by them for repairs, decorating, fuel, equipment or other operating expenses. However, in cases where such deductions have been made or are hereafter made by present or former tenants or other occupants, the Regional Manager is authorized to allow such deductions in such amounts as he may deem proper for items which the Corporation under the terms of the rental agreement is obligated to furnish or when he deems it to the best interests of the Corporation to allow such deductions and he may authorize and direct the Regional Accountant to reflect such allowances on the appropriate accounts.

Sec. 312. The classes of expenditures, hereinafter enumerated, affecting properties upon which foreclosure or acceptance of voluntary deed has been authorized, shall be capitalized as follows:

(a) The total of any and all unpaid balances on the original, or subsequent loan or loans (including any unpaid balances on advances), the unpaid accrued interest to date of foreclosure judgment or sale where sale is not preceded by a judgment and all costs of acquisition regardless of when paid.

(b) All items of expenditure, charged on the books of the Corporation prior to date of acquisition of absolute title, regardless of amount, period covered or nature, except that expenditures incurred for credit reports, appraisal and reconditioning inspection fees, or other inspection fees, requested by the Property Management Division prior to or subsequent to title acquisition, and expenditures incurred for advertising for sale only, and sales commissions to brokers shall not be capitalized, but shall be charged to general Corporation expense.

(c) Items of expenditure, except taxes and insurance, incurred prior to the date of acquisition of absolute title to the property but charged after date of acquisition in excess of \$25.00, and if such items in excess of \$25.00 are partially applicable to a period prior to the date of acquisition, such portion (if in excess of \$25.00) applicable to a period prior to the date of acquisition, shall be capitalized and the remaining portion shall be charged to property expense; no single item of acquired property expense incurred for an amount less than \$25.00 (other than costs of acquisition) shall be capitalized, unless such expenditure is properly consolidated with other expenditures of less than \$25.00 to aggregate more than this amount constituting a certain unit of improvement or betterment.

(d) Such portion of expenditures for taxes and insurance applicable to a period prior to date of acquisition, regardless of amount, and all expenditures regardless of amount made as a result of improvement assessments for public improvement with benefit of over one year; the cost of ease-

ments, purchase of reversionary interest, and costs of any public service connections or betterments, shall be capitalized.

(e) Permanent additions, enlargements, betterments, or replacements, comprising, among others, such units as stoves, furnaces, oil burners, stokers, refrigeration, plumbing (including accessories and fixtures for complete installation), and other similar items coming within the general definition of improvements or betterments to income-producing or sale values, shall be capitalized.

(f) All expenditures for initial repairs or reconditioning, whether made prior to acquisition or immediately upon acquisition or deferred until a later date, authorized by the Property Management Division to place the property in rentable or saleable condition.

Expenditures authorized and incurred by the Property Management Division, exclusive of advances for account of borrowers, shall be designated for distribution in the accounts by the Property Management Division in the Home Office, Regional Office, or Field, coincident with authorization, and it shall not be material that expenditures within the above definitions are incurred prior to or subsequent to title acquisitions.

The procedure set forth in this Section shall be retroactive to include all properties upon which foreclosure or acceptance of voluntary deed has been authorized, and all properties upon which foreclosure or acceptance of voluntary deed shall hereafter be authorized shall be included from the date of such authorization of foreclosure or voluntary deed acceptance.

SEC. 313. In addition to those officers and employees of the Corporation who are now or may be hereafter authorized to execute, acknowledge on behalf of the Corporation, seal with the corporate seal, attest, deliver or accept on behalf of the Corporation deeds and other instruments in connection with the sale or rental of real property by the Corporation, all contracts and other instruments incident to the management of property under the jurisdiction of the Property Management Division may be executed on behalf of the Corporation by such other officers and employees of the Corporation and by brokers or such other persons as may be authorized by the General Manager in procedure and under limitations prescribed by the General Manager, with the approval of the General Counsel.

SEC. 314. The Regional Manager may incur or approve charges or expenses of any nature whatsoever made or incurred in the performance of any of the functions or duties required or authorized to be done by this Chapter, and when so approved proper vouchers shall be submitted to the Auditor or an authorized deputy for certification, provided that if the amount to be expended exceeds 65% of the latest valuation as reconditioned placed on the property by the Property Management Division, or \$1500.00, and provided that the amount exceeds \$1000.00, the approval of the Property Committee in the Home Office shall first be obtained.

The State and District Managers may incur or approve charges in behalf of the Corporation for expenses made or incurred in the performance of any of the functions or duties required or authorized to be done by this Chapter in any case where the amount thereof does not exceed \$500.00, provided that where such amount exceeds \$500.00 the approval of the Regional Manager shall first be obtained. Any authority hereinabove vested in the State Manager and District Manager may also be exercised by any Assistant to the State Manager in Charge of Property Management or by any District Property Management Supervisor, when duly deputized for such purpose; provided, the Regional Manager, in his discretion, may place limitations upon such authority of State and District Managers in amounts less than \$500.00.

The Regional, State and District Managers are authorized and directed, within the respective limitations herein provided, to determine the necessity for any expenditures incurred or approved by them in accordance with the provisions of this Chapter and the amounts thereof.

Contract Management Brokers and Contract Sales Brokers may incur charges in behalf of the Corporation, and may expend, out of revenues from properties listed with

them, monies for expenses made or incurred in the performance of any of the functions or duties required or authorized by the regulations, provided that if the amount to be expended exceeds \$25.00 on any particular property containing not more than one unit or \$50.00 on any property containing more than one unit during any monthly accounting period, the approval of the State or District Manager shall first be obtained, except in any cases requiring emergency repairs for which the broker may incur charges not exceeding \$100.00. In no event, however, shall the Contract Management Broker pay any bills or charges incurred in connection with any particular property which cannot be paid out of funds in possession of the broker, received from the income of that particular property. If the funds in possession of the broker from any particular property are not of sufficient amount to pay the charges or bills incurred, then same shall be paid only by voucher through the regular procedure provided therefor. An accounting shall be made by such brokers for each and every item of expense incurred hereunder and payment therefor shall be supported by proper receipts and releases, except as provided elsewhere in the regulations. All expenditures authorized hereunder shall be made under such instructions and procedure as the Deputy General Manager in Charge of Property Management, subject to the approval of the General Manager and General Counsel, may prescribe.

The authorization for payment of expenses provided for in this Section, shall apply to both recurring and non-recurring items.

SEC. 315. The General Manager, upon the recommendation of the Regional Manager, may authorize the establishment of compensation of not to exceed two dollars per report to credit agencies for credit reports on individuals, corporations, and firms required by the Regulations relating to Property Management, in localities where such reports may not be obtained at a lower cost. The General Manager shall file with the Auditor a schedule of fees in excess of one dollar per report which are authorized for any localities.

SEC. 316. The Deputy General Manager in Charge shall be required to make a report monthly on the operations of the Property Management Division to the General Manager for transmission to the Board. The General Manager shall consider such reports and, from time to time, make recommendations to the Board as to the policies to be followed by the Property Management Division, and the Board will give such direction to the General Manager as may appear to it to be appropriate.

SEC. 317. The advice of the General Counsel or an Associate General Counsel or an Associate Counsel or of the Legal Department shall be secured before action is taken on any matter arising within the Property Management Division which affects the legal position of the Corporation.

Be it further resolved, That the Deputy General Manager in Charge may recommend and the General Manager and the General Counsel are hereby authorized to prescribe procedure necessary to carry out the regulations set out herein or hereafter adopted by the Board; and

Be it further resolved, That all previously issued regulations which are in conflict herewith, or with regulations issued under authority granted herein are hereby superseded and repealed; and particularly the resolution of January 22, 1937, entitled "Regulations for Property Management Division of the Home Owners' Loan Corporation", as amended, is repealed insofar as it relates to the Property Management Chapter of the Consolidated Manual; and

Be it further resolved, That the provisions of this resolution shall become effective November 1, 1937, except that the subject matter of Section 312 herein, contained in the resolution adopted by the Board of Directors of the Home Owners' Loan Corporation on May 14, 1937, relating to capitalization of expenditures, remains effective as provided in the resolution of May 14, 1937.

Adopted by the Federal Home Loan Bank Board on October 5, 1937.

[SEAL]

R. L. NAGLE, Secretary.

FEDERAL HOUSING ADMINISTRATION.

AMENDMENT TO ADMINISTRATIVE RULES OF THE FEDERAL HOUSING ADMINISTRATOR FOR MUTUAL MORTGAGE INSURANCE UNDER TITLE II OF THE NATIONAL HOUSING ACT

The Administrative Rules of the Federal Housing Administrator, issued October 1, 1937, are hereby amended as follows:

Subsection 5 of Section 1 of said Administrative Rules is amended to read as follows:

"5. Approval as a mortgagee under this section, of a banking institution or trust company which is subject to the inspection and supervision of some governmental agency, shall be deemed to constitute approval of such institution or company when lawfully acting in a fiduciary capacity in investing fiduciary funds which are under its individual or joint control. Upon termination of such fiduciary relationship, whether by revocation or otherwise, any insured mortgages held in the fiduciary estate shall be transferred to a mortgagee approved under this or the succeeding section and the fiduciary relationship must be such as to permit such transfer.

"Nothing in this section shall be construed to permit the sale to the general public of instruments representing the beneficial interest in all or part of one or more insured mortgages."

Issued at Washington, D. C., this 30th day of September, 1937 and effective on the 1st day of October, 1937.

[SEAL]

STEWART McDONALD,
Federal Housing Administrator.

[F. R. Doc. 37-2974; Filed, October 7, 1937; 12:54 p. m.]

FOREIGN-TRADE ZONES BOARD.

RESOLUTION APPROVING APPLICATION OF THE ALABAMA STATE DOCKS COMMISSION AND ORDER AUTHORIZING ISSUANCE OF GRANT FOR A FOREIGN-TRADE ZONE AT MOBILE, ALABAMA

At a meeting of the Foreign-Trade Zones Board held at its offices in the City of Washington, D. C., on the 22nd day of September, A. D. 1937.

Board: Daniel C. Roper, Secretary of Commerce, Chairman; Henry Morgenthau, Jr., Secretary of the Treasury; Harry E. Woodring, Secretary of War.

RESOLUTION AND ORDER

Pursuant to the Act approved June 18, 1934 (48 Stat. 998; U. S. C. A.; Title 19 § 81a-81u) the following resolution was adopted:

"That the application of the Alabama State Docks Commission for a grant to establish and operate a foreign-trade zone at Mobile, Alabama, as permitted under Public 397, 73d Congress, be approved."

The Board having considered the matter;

It is ordered, Upon examination the application of the Alabama State Docks Commission for the privilege of establishing, operating, and maintaining a foreign-trade zone at Mobile has been found to be in proper order and in compliance with the Act and the rules and regulations made thereunder. Now, therefore, the Secretary of Commerce, as Chairman and Executive Officer of the Foreign-Trade Zones Board, is hereby authorized and directed to sign and issue in favor of the Alabama State Docks Commission a grant permitting the establishment, operation, and maintenance of a foreign-trade zone at Mobile, Alabama, in compliance with the application on file with the Board. It is further ordered that a copy of this grant be made a part of the record of this meeting.

GRANT TO ESTABLISH, OPERATE, AND MAINTAIN A FOREIGN-TRADE ZONE AT MOBILE, ALABAMA

Whereas, by an Act of Congress approved June 18, 1934, an Act

To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes

(48 Stat. 998; U. S. C. A. Title 19 § 81a-81u), hereinafter referred to as "the Act", the Foreign-Trade Zones Board, hereinafter referred to as "the Board", is authorized and empowered to grant to corporations the privilege of establishing, operating, and maintaining foreign-trade zones in or adjacent to ports of entry under the jurisdiction of the United States; and,

Whereas, the Alabama State Docks Commission, a public corporation, organized and existing under the laws of the State of Alabama, having its office and principal place of business in the City of Mobile, in the State of Alabama, hereinafter referred to as "the Grantee", has made application in due and proper form to the Board for the establishment, operation, and maintenance of a foreign-trade zone, designated on the records of the Board as Zone No. Two, at Mobile, Alabama, as shown on the map accompanying said application, marked Exhibit No. 10a; and,

Whereas, notice of said application has been given and published, and full opportunity has been afforded all interested parties to be heard; and,

Whereas, the Board has found the proposed plans and location are suitable for the accomplishment of the purposes of a foreign-trade zone under the Act and that the facilities and appurtenances which in said application it is proposed to provide are sufficient;

Now, therefore, the Board, subject to the provisions, conditions, and restrictions of the Act and all of the rules and regulations made thereunder, hereby grants to the Grantee the privilege of establishing, operating, and maintaining a foreign-trade zone, designated on the records of the Board as Zone No. Two, at the specific location mentioned above and more particularly described on the map accompanying said application, marked Exhibit No. 10a, said grant being subject to the provisions, conditions, and restrictions of the Act and of all rules and regulations made thereunder, to the same extent as though the same were fully set forth herein, and also to the following express conditions and limitations, to-wit:

The Grantee shall make no deviation from the maps, plans, specifications, drawings, and blue prints, accompanying the said application and marked Exhibits Numbers 1 to 13, inclusive, before or after completion of the structures or work involved, unless modification of such maps, plans, specifications, drawings, and blue prints, has previously been submitted to and has received the approval of the Board.

The work of construction under this grant shall commence within thirty days from the date of the grant; said work shall be diligently prosecuted to completion and the work of construction shall be completed and operation of the zone shall be commenced by the Grantee within one hundred twenty days from the date of this grant. The Grantee shall notify the United States District Engineer in whose district the zone is located of the date upon which work will begin and as far in advance thereof as the District Engineer may reasonably specify, and shall notify him promptly in writing of any suspension of construction for a period of more than one week, and of its resumption and completion.

The Grantee shall fully comply with the provisions of the laws for the protection and preservation of the navigable waters of the United States, and shall secure the authorizations and approvals of works in navigable waters of the United States required by such laws. The grant herein made shall not be construed as conveying such approval.

The Grantee shall allow officers and employees of the United States of America free and unrestricted access in, to, and throughout said zone in the performance of their official duties.

This grant shall not be construed to relieve the Grantee from liability for injury or damage to the person or property of others occasioned by the construction, operation, or maintenance of said zone, and in no event shall the United States of America be liable therefor.

In witness whereof, the Foreign-Trade Zones Board has caused its name to be signed and its seal to be affixed hereto by its Chairman and Executive Officer, DANIEL C. ROPER,

at Washington, D. C., this Twenty-second day of September, 1937, pursuant to an order of the Board issued on September 22, 1937.

FOREIGN-TRADE ZONES BOARD,

[SEAL]

By DANIEL C. ROPER,
Chairman and Executive Officer.

Attest:

THOMAS E. LYONS,
Executive Secretary.

CERTIFICATE BY EXECUTIVE SECRETARY

I, Thomas E. Lyons, Executive Secretary of the Foreign-Trade Zones Board, do hereby certify that the following is a true extract from the records of the proceedings of the Board of that portion of the minutes of meeting of September 22, 1937, relating to the matter hereinbefore in this grant described:

Upon examination the application of the Alabama State Docks Commission for the privilege of establishing, operating, and maintaining a foreign-trade zone at Mobile has been found to be in proper order and in compliance with the Act and the rules and regulations made thereunder. Now, therefore, the Secretary of Commerce, as Chairman and Executive Officer of the Foreign-Trade Zones Board, is hereby authorized and directed to sign and issue in favor of the Alabama State Docks Commission a grant permitting the establishment, operation, and maintenance of a foreign-trade zone at Mobile, Alabama, in compliance with the application on file with the Board. It is further ordered that a copy of this grant be made a part of the record of this meeting.

Witness my hand and the seal of the Foreign-Trade Zones Board this Twenty-Second day of September, 1937, at Washington, D. C.

[SEAL]

THOMAS E. LYONS,
Executive Secretary.

[F. R. Doc. 37-2972; Filed, October 7, 1937; 10:17 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 7th day of October, A. D. 1937.

[File No. 43-80]

IN THE MATTER OF BEVERLY GAS AND ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING

A declaration having been duly filed with this Commission, by Beverly Gas and Electric Company, a subsidiary of New England Power Association, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue to North Boston Lighting Properties, a registered holding company, of which the declarant is a subsidiary, of unsecured 3% notes of the declarant payable ten months after date in the aggregate principal amount of \$650,000 to evidence a loan or loans of a like aggregate amount to be made by North Boston Lighting Properties to the declarant;

It is ordered, That a hearing on such matter be held on October 18, 1937, at 10:00 o'clock in the forenoon of that day at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities commission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest

or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before October 12, 1937.

It is further ordered, That Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 37-2975; Filed, October 7, 1937; 12:55 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 7th day of October, A. D. 1937.

[File No. 43-79]

IN THE MATTER OF GLOUCESTER ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING

A declaration having been duly filed with this Commission, by Gloucester Electric Company, a subsidiary of New England Power Association, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue to North Boston Lighting Properties, a registered holding company, of which the declarant is a subsidiary, of unsecured 3% notes of the declarant payable ten months after date in the aggregate principal amount of \$235,000 to evidence a loan or loans of a like aggregate amount to be made by North Boston Lighting Properties to the declarant;

It is ordered, That a hearing on such matter be held on October 18, 1937, at 10:00 o'clock in the forenoon of that day at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities commission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before October 12, 1937.

It is further ordered, That Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 37-2977; Filed, October 7, 1937; 12:55 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 7th day of October, A. D. 1937.

[File No. 43-81]

IN THE MATTER OF MALDEN ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING

A declaration having been duly filed with this Commission, by Malden Electric Company, a subsidiary of New England Power Association, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue to North Boston Lighting Properties, a registered holding company, of which the declarant is a subsidiary, of unsecured 3% notes of the declarant payable ten months after date in the aggregate principal amount of \$200,000 to evidence a loan or loans of a like aggregate amount to be made by North Boston Lighting Properties to the declarant;

It is ordered, That a hearing on such matter be held on October 18, 1937, at 10:00 o'clock in the forenoon of that day at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities commission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before October 12, 1937.

It is further ordered, That Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2976; Filed, October 7, 1937; 12:55 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 7th day of October, A. D. 1937.

[File No. 43-83]

IN THE MATTER OF SALEM GAS LIGHT COMPANY

NOTICE OF AND ORDER FOR HEARING

A declaration having been duly filed with this Commission, by Salem Gas Light Company, as subsidiary of New England Power Association, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue to North Boston Lighting Properties, a registered holding company, of which the declarant is a subsidiary, of unsecured 3% notes of the declarant payable ten months after date in the aggregate principal amount of \$425,000 to evidence a loan or loans of a like aggregate amount to be made by North Boston Lighting Properties to the declarant;

It is ordered, That a hearing on such matter be held on October 18, 1937, at 10:00 o'clock in the forenoon of that day at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities com-

mission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before October 12, 1937.

It is further ordered, That Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2979; Filed, October 7, 1937; 12:56 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 7th day of October, A. D. 1937.

[File No. 43-82]

IN THE MATTER OF SUBURBAN GAS AND ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING

A declaration having been duly filed with this Commission, by Suburban Gas and Electric Company, a subsidiary of New England Power Association, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue to North Boston Lighting Properties, a registered holding company, of which the declarant is a subsidiary, of unsecured 3% notes of the declarant payable ten months after date in the aggregate principal amount of \$785,000 to evidence a loan or loans of a like aggregate amount to be made by North Boston Lighting Properties to the declarant;

It is ordered, That a hearing on such matter be held on October 18, 1937, at 10:00 o'clock in the forenoon of that day at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities commission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before October 12, 1937.

It is further ordered, That Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2978; Filed, October 7, 1937; 12:55 p. m.]

